

Paul E. Harner
Ballard Spahr LLP
1675 Broadway, 19th Floor
New York, NY 10019-5820
Telephone: (646) 346-8020
Facsimile: (212) 223-1942
E-mail: harnerp@ballardspahr.com

Proposed Fee Examiner

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re : Chapter 11
: :
SEARS HOLDINGS CORPORATION, *et al.*, : Case No. 18-23538 (RDD)
: :
: (Jointly Administered)
Debtors. :
-----X

**DECLARATION OF DISINTERESTEDNESS AND DISCLOSURE
STATEMENT ON BEHALF OF PAUL E. HARNER WITH
RESPECT TO APPOINTMENT AS FEE EXAMINER**

I, Paul E. Harner, declare under penalty of perjury that:

1. I am a partner in the law firm of Ballard Spahr LLP ("Ballard Spahr").

My principal office is located at 1675 Broadway, 19th Floor, New York, NY 10019-5820.

2. I am an attorney at law, duly admitted to practice law in the States of New York and Illinois, and the United States District Court for the Southern District of New York.

3. I submit this Declaration in connection with my proposed appointment as a fee examiner (the "Fee Examiner") in the above-captioned cases of Sears Holdings Corporation and its affiliated debtors and debtors in possession (collectively, the "Debtors"). Unless otherwise noted, this Declaration is based on personal knowledge and will be timely

amended as previously unknown or undisclosed and relevant information comes to my attention.

4. In connection with my proposed appointment as Fee Examiner, I intend to seek authority, by separate application, to engage Ballard Spahr as my counsel. Ballard Spahr and I have conducted a computerized conflicts check in accordance with Ballard Spahr's standard conflicts protocol. In preparing this Declaration, and in support of the declarations in this Declaration, I have reviewed the results of this computerized conflict search conducted as to:

- a) the Debtors;
- b) the members of the Creditors' Committee as reflected on the Notice of Appointment of the Creditors' Committee attached as Exhibit A; and
- c) the list of all professionals retained or proposed to be retained in these cases and related adversary proceedings by the Debtors or the Creditors' Committee, or otherwise retained with Court approval (collectively, the "Retained Professionals"), together with the professionals listed in the Debtors' motion to employ ordinary course professionals and any amendments thereto (collectively, the "Ordinary Course Professionals", which professionals listed on the attached Exhibit B.

5. Ballard Spahr has not been engaged in connection with this proceeding by any of the Retained Professionals or Ordinary Course Professionals, nor is Ballard Spahr presently engaged by or connected with any of Retained Professionals or Ordinary Course Professionals in any matter unrelated to this proceeding, other than as set forth on the attached Exhibit C. I am able to review and comment on or object to the fee applications submitted by all Retained Professionals, as well as any and all Ordinary Course Professionals who may in the future become Retained Professionals and thereby become required to submit fee applications under applicable orders of the Court.

6. That conflict check further confirmed that Ballard Spahr has never represented any of the above-captioned Debtors.

7. Ballard Spahr currently represents the following entities and their affiliates in their capacity as creditors or landlords that lease non-residential real property to the Debtors in the Debtors' bankruptcy cases:

- a) Acadia Realty Limited Partnership;
- b) Brixmor Operating Partnership LP;
- c) C.E. John Company, Inc.;
- d) Cedar Realty Trust;
- e) Centennial Real Estate Co.;
- f) Centercal Properties, LLC;
- g) C.J. Segerstrom & Sons;
- h) GS Pacific ER, LLC;
- i) GEM Realty Capital, Inc.;
- j) Gemini Alto Centerville Partners, LLC;
- k) Federal Realty Investment Trust;
- l) Heitman Capital Management;
- m) Kravco Company;
- n) PGIM Real Estate;
- o) Primestor Development, Inc.;
- p) Heidenberg Properties LLC;
- q) Starwood Retail Partners, LLC;
- r) The Macerich Company;
- s) Vintage Real Estate LLC;
- t) WBCMT 2007-C33 Independence Center LLC;

- u) Weitzman; and
- v) White Plains Galleria Limited Partnership.

8. Brixmor Operating Partnership LP, one of the landlords and creditors that Ballard Spahr represents in the Debtors' bankruptcy cases, also serves as a member of the Creditors' Committee appointed in the Debtors' bankruptcy cases, and attorneys at Ballard Spahr participate in meetings and communications of the Creditors' Committee. Ballard Spahr also represents Willis Towers Watson PLC and its affiliates as creditors and counterparties to contracts with the Debtors in the Debtors' bankruptcy cases.

9. Except as described above, the conflict check confirmed that neither Ballard Spahr nor I represent any other creditors or parties in interest in connection with the Debtors' bankruptcy cases. Therefore, on information and belief, the following statements are true:

- a) To the best of my knowledge, I am a "disinterested person" under section 101(14) and 327 of the Bankruptcy Code and sections 101(14) and 1104(d) of the Bankruptcy Code, respectively;
- b) To the best of my knowledge:
 - i. I am not a creditor, equity security holder or insider of the Debtors;
 - ii. I have not, within the two years before the date of the filing of the Debtors' petitions, served as a director, officer, or employee of any of the Debtors; and
 - iii. I do not have an interest materially adverse to the interests of the Debtors' estates or to any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.
- c) Except as otherwise disclosed herein, I do not (i) hold or represent an adverse interest in connection to the Debtors' cases; (ii) hold or represent an interest adverse to the interests of the Debtors' estates; or (iii) have any other connection with the Debtors, the Debtors' bankruptcy cases or the Retained Professionals.

10. Ballard Spahr and I do not represent and have not represented any other identified significant parties in connection with these chapter 11 cases, except as described above. Ballard Spahr and I may currently represent and in the past may have represented clients in matters adverse to the parties listed in the above paragraphs or their affiliates, but such representations are unrelated to the Debtors or their bankruptcy cases. I believe there is no conflict of interest or an inherent potential for a conflict of interest. Insofar as I have been able to ascertain, I know of no conflict of interest that would preclude my appointment as Fee Examiner in the Debtors' bankruptcy cases as described herein.

11. In addition, to the best of my knowledge, information, and belief and in accordance with Bankruptcy Rule 5002, neither I, nor any attorney at Ballard Spahr, is a relative of any United States Bankruptcy Judge to be assigned to these chapter 11 cases, and Ballard Spahr does not have a connection with any United States Bankruptcy Judge, that would render my appointment in these chapter 11 cases improper. My wife, Michelle M. Harner, is a United States Bankruptcy Judge in the District of Maryland.

12. On numerous prior occasions, I have worked with the United States Trustee, employees of the Office of the United States Trustee and partners and employees of the Retained Professionals and Ordinary Course Professionals, in certain instances with clients that were adverse to my clients, in bankruptcy cases, litigation, transactions or other matters unrelated to the Debtors or their affiliates. Except as set forth herein, I do not have any connection with the Office of the United States Trustee or any persons employed by such office.

13. Except as set forth above, I do not have any "connections," as contemplated within Fed. R. Bankr. P. 2014(a), with any of the Debtors, their creditors, or any other party in interest, their respective attorneys and accountants.

14. Ballard Spahr and I are continuing, and will continue, to review potential conflicts. If I learn of additional relationships with the Debtors, the Debtors' bankruptcy cases, or any of the Retained Professionals or Ordinary Course Professionals, I will promptly supplement this Declaration and notify the United States Trustee.

15. I have not agreed to share any compensation or reimbursement received in connection with the Debtors' cases with another person, except with partners of Ballard Spahr as expressly authorized by 11 U.S.C. § 504(b)(1).

16. The facts set forth in this Declaration are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 9th day of April, 2019
New York, New York

/s/ Paul E. Harner
Paul E. Harner

EXHIBIT A

NOTICE OF APPOINTMENT OF CREDITORS' COMMITTEE

18-23538-rdd Doc 276 Filed 10/24/18 Entered 10/24/18 15:29:42 Main Document
Pg 1 of 3

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re : Case No. 18-23538 (RDD)
:
Sears Holdings Corporation, *et al.*, : Jointly Administered
:
Debtors. :
-----X

**NOTICE OF APPOINTMENT OF OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

William K. Harrington, United States Trustee for Region 2, pursuant to
Section 1102(a) of title 11, United States Code, hereby appoints the following
unsecured creditors that are willing to serve on the Official Committee of
Unsecured Creditors of the Sears Holdings Corporation, and its affiliated debtors-
in-possession.

1. Pension Benefit Guaranty Corporation
1200 K Street N.W.
Washington, D.C. 20005-4026
Attention: Adi Berger, Director
Telephone: (202) 326-4000
2. Oswaldo Cruz
23002 Dolores Street
Carson, California 90747
(310) 809-6610
3. Winiadaewoo Electronics America, Inc.
65 Challenger Road, #360
Ridgefield Park, New Jersey 07660
Attention: Minje Kim, President
Telephone: (201) 552-4950

18-23538-rdd Doc 276 Filed 10/24/18 Entered 10/24/18 15:29:42 Main Document
Pg 2 of 3

4. Apex Tool Group, LLC
13620 Reese Boulevard East, Suite 410
Huntersville, North Carolina 28078
Attention: David E. Sturgess, Senior Vice President, General Counsel
Telephone: (980) 441-4097
5. Computershare Trust Company, N.A.
2950 Express Drive South, Suite 210
Islandia, New York 11749
Attention: Michael A. Smith, Vice President
Telephone: (631) 233-6330
6. The Bank of New York Mellon Trust Company
601 Travis – 16th Floor
Houston, Texas 77002
Attention: Dennis Roemlein, Vice President
Telephone: (713) 483-6531
7. Basil Vasiliou
800 S. Pointe Drive – Apt. 2001
Miami Beach, Florida 33139
Telephone: (305) 608-0807
8. Simon Property Group, L.P.
225 W. Washington Street
Indianapolis, Indiana 46204
Attention: Ronald M. Tucker, Vice President/Bankruptcy Counsel
Telephone: (317) 263-2346

18-23538-rdd Doc 276 Filed 10/24/18 Entered 10/24/18 15:29:42 Main Document
Pg 3 of 3

9. Brixmor Operating Partnership, L.P.
450 Lexington Avenue – 13th Floor
New York, New York 10017
Attention: Patrick Bennison, Vice President
Telephone: (212) 869-3000

Dated: New York, New York
October 24, 2018

WILLIAM K. HARRINGTON
UNITED STATES TRUSTEE

By: /s/ Paul K. Schwartzberg
Paul K. Schwartzberg, Trial Attorney
Office of the United States Trustee
201 Varick Street, Room 1006
New York, NY 10014
Tel. (212) 510-0500

EXHIBIT B

LIST OF RETAINED AND ORDINARY COURSE PROFESSIONALS

A&G Realty Partners, LLC
Alvarez & Marsal North America, LLC
Akin Gump Strauss Hauer & Feld LLP
Deloitte Transactions and Business Analytics LLP
Deloitte Tax LLP
Deloitte & Touche LLP
Evercore Group L.L.C.
FTI Consulting, Inc.
Herrick, Feinstein LLP
Houlihan Lokey Capital, Inc.
JLL Valuation & Advisory Services, LLC
Jones Lang Lasalle Americas, Inc.
Lazard Freres & Co. LLC
M-III Advisory Partners, LP
McAndrews, Held & Malloy, Ltd.
Paul Weiss Rifkind Wharton & Garrison LLP
Prime Clerk LLC
Stout Risius Ross, LLC
Wachtell, Lipton, Rosen & Katz
Weil, Gotshal & Manges LLP
Young Conaway Stargatt & Taylor, LLP
Baker & Hostetler LLP
Baker & McKenzie LLP
Baute Crochetiere & Hartley LLP
Cheng Cohen LLC
Constantine Cannon, LLP
Conyers Dill & Pearman
Dentons US LLP
Dickie, McCamey & Chilcote, P.C.
DLA Piper LLP (US)
Eversheds Sutherland LLP
Guberman Benson & Calise, LLC
Jackson Lewis P.C.
King & Spalding, LLP
Lenczer Slaght Royce Smith Griffin LLP
McConnell Valdes LLC
Morgan Lewis & Bockius, LLP
Morrison & Foerster LLP
Novack and Macey LLP
O'Neill & Borges, LLC

Pettit Kohn Ingrassia & Lutz PC

Polsinelli, P.C.
Quarles & Brady LLP
Reed Smith, LLP
Richman Greer, P.A.
Sandles, Travis & Rosenberg, P.A.
Saul Ewing Arnstein & Lehr, LLP
Schuster Aguilo LLC
Steptoe & Johnson, LLP
Venable LLP
Akerman LLP
Alston & Bird, LLP
Atkin, Winner and Sherrod
Baker Sterchi Cowden and Rice LLC
Barclay Damon, LLP
Birch, de Jongh & Hindels, PLLC
Bonner Kiernan Trebach & Crociata LLP
Brown & Brown, LLC
Brown & James, PC
Brown Law Firm, PC
Camacho Calvo Law Group LLC
Campbell Woods, PLLC
Carr, Allison, Pugh, Howard, Oliver and Sisson, P.C.
Cavaretta, Katona and Leighner, PLLC
Civerolo, Gralow & Hill, A Professional Association
Clapp Moroney Bellagamba Vucinich Beeman & Scheley, A Professional Corporation
Cohen and Lombardo, P.C.
Collinson, Daehnke, Inlow & Greco, Attorneys at Law
Colon & Colon, P.S.C.
Corneille Law Group, LLC
Craig Terrill, Hale & Grantham LLP
Davenport, Evans, Hurwitz & Smith, LLP
DeLaskment & MArchand, P.C.
Dinse, Knapp & McAndrew, P.C.
Dykema Gossett, PLLC
Eaton Law Office, P.C.
Eckert Seamans Cherin & Mellott, LLC (Pittsburgh)
Fitzpatrick Lentz & Bubba, P.C.
Freeman Mathis & Gary LLP
Frilot LLC
Gibley and McWilliams, PC
Godin and Baity LLC
Goodin Abernathy, LLP
Gruvman, Giordano & Glaws, LLP
Hack, Piro, O'Day, Merklinger, Wallace & McKenna, P.A.
Harman, Claytor, Corrigan and Wellman, P.C
Hawley Troxell Ennis & Hawley

Haynes, Studnicka, Kahan, O'Neill & Poulakidas, LLC
Henson & Talley, LLP
Higgins, Cavanagh and Cooney
Hill Knotts & Goldman, LLC
Horwood Marcus & Berk
Hughes, White Colbo, Wilcox & Tervooren LLC
Hunt Suedhoff, Kalamaros, LLP
Hunter and Foster PA
Ice Miller LLP
Jenkins Fenstermaker PLLC
Johnson & Bell, Ltd.
Kalbaugh, Pfund & Messersmith, PC
Kean Miller LLP
Kemp Smith, LLP
Law Office of Brian J. Donegan, LLC
Law Office of David F. Szewczyk
Leitner, Williams, Dooley and Napolitan, PLLC
Litchfield Cavo LLP
Lynch Dallas, P.C.
Magnani & Buck, Ltd.
Maire & Deedon
Marlow Connell Abrams Adler Newman & Lewis
Mayer Brown LLP
Mazanec, Raskin & Ryder Co., L.P.A
Minino Abogados, S.R.L.
Moffett, Vitu, Lascoe, Packus and Sims
Moore & Biser PLLC
Murane & Bostwick, LLC
Murphy & Landon, P.A
Nelson Mullins Riley & Scarborough LLP
O'Hagan Spencer, LLP
O'Meara, Leer, Wagner & Kohl, P.A
Orr & Reno P.A
Pansing, Hogan, Ernst & Bachman LLP
Perrier & Lacoste, LLC
Pitzer Snodgrass, P.C
Pond North LLP
Posternak Blankstein & Lund LLP
Ranalli Zaniel Fowler & Moran, LLC
Rhodes Hieronymus Jones Tucker & Gable, PLLC
Rumberger, Kirk and Caldwell
Sánchez-Betances, Sifre & Muñoz-Noya, P.S.C.
Schneider and Onofry, P.C.
Schutte, Terhoeve, Richardson, Eversberg, Cronin, Judice & Boudreaux, L.L.P.
Schwabe, Williamson and Wyatt P.C
Seeley, Savidge, Ebert & Gourash, LPA

Serkland Law Firm
Simmons Jannace DeLuca, LLP
Sisselman & Schwartz, LLP
Smith Cohen & Horan PLC
SmithAmundsen LLC
Snow, Christensen and Martineau
Sobel Pevzner, LLC fka Lynch Rowin
Strawinski and Stout, P.C.
Sugarman, Rogers, Barshak and Cohen, P.C. 1
Swanson, Martin & Bell, LLP
Thomas, Thomas & Hafer, LLP
Thompson Brody & Kaplan, LLP
Thompson, Coe, Cousins & Irons, LLP
Trotta, Trotta & Trotta LLC
Upton, Mickits and Heymann, LLP
Van De Poel, Levy, Arneal & Serot, LLP
Vidaurri, Lyde, Rodriguez & Haynes, LLP
Wagner Saenz Dority, L.L.P.
Wanger Jones Helsley PC
Ward, Hocker & Thornton, PLLC
Wells, Marble, and Hurst, PLLC
Wilbraham, Lawler & Buba
Willenken Wilson Loh & Delgado LLP
Williams Kastner & Gibbs, PLLC
Womble Bond Dickinson (US) LLP
Yoshimoto Law Group LLLC

EXHIBIT C

CONNECTIONS WITH PROFESSIONALS

Ballard Spahr currently serves, previously has served or in the future may serve in co-counsel or other similar relationships with certain of the Retained Professionals or Ordinary Course Professionals. In no such instance, however, does Ballard Spahr have an attorney-client relationship with any such professionals. In addition, Ballard Spahr has previously referred matters to, or accepted referrals from, certain of the Retained Professionals or Ordinary Course Professionals. Likewise, in no such instance has Ballard Spahr entered into an attorney-client relationship with any such professionals.